

# **PERFORMANCE AUDIT REPORT**

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**DEPARTMENT OF PUBLIC WORKS**

**BUREAU OF TRANSPORTATION**

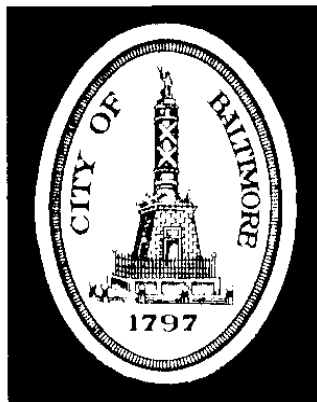
**CASH HANDLING AND COLLECTION PROCEDURES**

**FOR**

**REVENUES GENERATED AT THE  
ABANDONED VEHICLES DIVISION  
PULASKI HIGHWAY YARD**

**JULY 2001**

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City of Baltimore  
Department of Audits

## CITY OF BALTIMORE

MARTIN O'MALLEY, Mayor



## DEPARTMENT OF AUDITS

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July 26, 2001

Honorable Joan M. Pratt, Comptroller  
And Other Members of the Board of Estimates  
City of Baltimore

We conducted an audit of the cash handling and collection procedures for revenues generated at the Department of Public Works' Bureau of Transportation – Abandoned Vehicles Division, Pulaski Highway Yard. The purpose of our audit was to determine whether adequate internal accounting and administrative control policies and procedures exist to ensure that the revenue amounts collected are proper and assessed in accordance with laws and regulations, that revenues are properly monitored, and that revenues are adequately safeguarded, promptly deposited, and properly recorded.

As a result of our audit, we recommend that:

- The Abandoned Vehicles Division develop written policies and procedures to guide staff in performing their duties and clearly communicate those written procedures to all employees responsible for processing abandoned vehicle revenue transactions.
- Employees from the Abandoned Vehicles Division and the Bureau of Purchases monitor the auctions through actual auction observations or verification to the audio tapes, record the sample of the auction amounts tested and verify the sample to the auction results submitted by the auctioneer.
- Employees who monitor the auctions sign and date the recorded auction tests, and that the Bureau of Purchases retain a record of those tests as part of the auction files.
- The City determine the feasibility of increasing the minimum bid price for auctioned vehicles as well as the amount received for vehicles sold as "junkers."
- The Abandoned Vehicles Division implement procedures to reduce the amount of time taken to notify the Motor Vehicle Administration regarding vehicle registration restrictions against the previous owners of abandoned vehicles where the auction proceeds for those vehicles were not sufficient to cover the impoundment costs.

- The Abandoned Vehicles Division enforce procedures that require the purchasers of auctioned vehicles to remove those vehicles immediately after the auction. We also recommend that the Abandoned Vehicles Division charge those purchasers with additional storage fees for any vehicles not immediately removed from the Pulaski Highway Yard.
- The Abandoned Vehicles Division obtain guidance from the City's Department of Law regarding the interpretation and proper application of § 25-206.1 (b) of the Annotated Code of Maryland.

Respectfully submitted,

Yovonda D. Brooks, CPA  
City Auditor

## **TABLE OF CONTENTS**

<b>Background Information</b>	<b>3</b>
<b>Audit Scope, Objectives and Methodology</b>	<b>4</b>
<b>Findings and Recommendations</b>	
<b>Internal Accounting and Administrative Control Environment</b>	
The Abandoned Vehicles Division did not have written policies and procedures to guide its staff in performing their duties for processing abandoned vehicle revenue transactions and assigning responsibilities for performing various related tasks.	<b>6</b>
<b>Abandoned Vehicle Auctions</b>	
The procedures for monitoring auctions and verifying the auction results submitted by the auctioneer were not adequate.	<b>7</b>
The minimum bid price for abandoned vehicles auctioned to the general public was not sufficient to cover the minimum impoundment fees for those vehicles. Timely notifications were not provided to the Motor Vehicle Administration to withhold vehicle registrations until the outstanding impoundment fees are paid.	<b>8</b>
The Abandoned Vehicle Division did not enforce the established procedures for removing sold vehicles from the Pulaski Highway Yard after the auction.	<b>9</b>
<b>Other Issues</b>	<b>10</b>
<b>Agency Responses</b>	<b>Appendix I</b>
<b>Auditor's Comments on Agency Responses</b>	<b>Appendix I</b>

## Background Information

The Bureau of Transportation – Abandoned Vehicles Division (AVD) operates a program to promote the free flow of vehicular traffic through:

- The removal and impounding of illegally parked, abandoned, or disabled vehicles.
- The operation of a vehicle storage facility.
- The sale of abandoned and/or unclaimed vehicles at public auctions.

Major revenues generated at the AVD result from vehicle towing and storage charges, administrative fees, and auction sales of abandoned vehicles. The revenues reported on the City's accounting records for fiscal year 2000 are as follows:

<u>Revenues</u>	<u>Pulaski Highway</u>	<u>Fallsway</u>	<u>Total</u>
Towing Fees	\$1,414,252	\$ 216,028	\$1,630,280
Administrative & Storage Fees	1,749,327	184,740	\$1,934,067
Auction Sales	1,268,902		\$1,268,902
Total Revenues (Net of Refunds)	<u>\$4,432,481</u>	<u>\$ 400,768</u>	<u>\$4,833,249</u>
Percentage	92%	8%	100%

### Vehicle Towing, Administrative and Storage Fees

Revenues are collected by the AVD for the storage of abandoned, towed, or other vehicles brought to the Pulaski Highway and Fallsway storage lots. Owners of those vehicles are charged \$30 for administrative fees and \$25 for each vehicle for the first 48 hours of storage. There is an additional charge of \$10 (noncommercial vehicles) and \$20 (commercial vehicles) for each day or fractional part thereof after the 48-hour period during which a vehicle is stored. These rates have been in effect since 1990. The AVD also collects monies for any applicable parking violation citations and scofflaw tickets and remits those monies to the City's Parking Fine Division.

In addition to the above fees and the applicable amounts due for parking violations and scofflaw tickets, owners must pay the towing costs when claiming their vehicles. The towing fee rates levied by the City are based on an agreement between the Private Towers Association, the Police Department and the Department of Public Works and vary depending upon the type of vehicle

and distance that the vehicle is towed, and the services provided by the tower. The Towing Rate Agreement is submitted to the Board of Estimates for approval. The basic minimum towing fees for fiscal year 2000 were \$64 (Charles Street and East) and \$71 (West of Charles Street or South of the Hanover Street Bridge). The towing rates were increased for fiscal year 2001 to \$70 and \$77, respectively. The same rates also apply when City trucks perform the towing.

### Auction Sales

Vehicles that are not claimed within 45 days are subject to auction. The auctions are conducted under the supervision of the City's Department of Finance through licensed auctioneers selected by the City and are held at the Pulaski Highway Yard on every other Wednesday. The auctioneer collects the monies for the auctioned vehicles and is required to remit the net auction proceeds to the City's Collection Division within 15 days of the auction. The AVD prepares tally sheets to record the auction results and submits the tally sheets along with copies of the clerking tickets prepared by the auctioneer to the Bureau of Purchases. The Department of Finance is responsible for billing the auctioneer, monitoring collections and assessing late fees, if necessary. Reported net proceeds from the auctions of abandoned vehicles totaled approximately \$1.3 million during fiscal year 2000.

## **Audit Scope, Objectives and Methodology**

We conducted a performance audit of the cash handling and collection procedures for revenues generated at the Department of Public Works' Bureau of Transportation – Abandoned Vehicles Division, Pulaski Highway Yard. Specifically, we focused on the accounting and control procedures for the major revenues generated at the AVD for the fiscal year ended June 30, 2000. Those major revenue sources consisted of towing fees, administrative and storage fees and net proceeds from auction sales. Our audit was conducted in accordance with generally accepted *Government Auditing Standards* related to performance audits, issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

The objectives of our audit were to determine whether adequate internal accounting and administrative control policies and procedures exist to ensure that the revenue amounts collected are proper and assessed in accordance with applicable laws and regulations, that revenues are properly monitored, and that revenues are adequately safeguarded, promptly deposited, and properly recorded.

To accomplish our objectives, we obtained an understanding of the functions and activities performed at the AVD, identified the major revenue sources generated at the AVD, and obtained an understanding of the policies and procedures for monitoring and controlling those revenues. As part of our audit, we spoke with various personnel from the Bureau of Transportation as well as officials from other City agencies. Additionally, we reviewed applicable procedures, forms, documents and reports used to account for the revenues from abandoned vehicle activities. We also performed various tests of revenue transactions, including tests to determine whether revenues were received by the City, deposited and properly recorded.

AVD revenue is generated at both the Pulaski Highway Yard and the Fallsway Yard. However, our audit focused on the Pulaski Highway Yard, since that location accounted for 92% of the reported abandoned vehicle revenues during fiscal year 2000.

Our audit findings and recommendations are detailed in the Findings and Recommendations section of this report. The responses of the Department of Public Works and the Department of Finance – Bureau of Purchases to our findings and recommendations are included as an appendix to this report.

## **Findings and Recommendations**

### **Internal Accounting and Administrative Control Environment**

#### **Finding #1**

**AVD did not have written policies and procedures to guide its staff in performing their duties for processing abandoned vehicle revenue transactions and assigning responsibilities for performing various related tasks.**

#### **Analysis**

Written policies and procedures were not available to guide AVD staff in performing their duties for processing abandoned vehicle revenue transactions and assigning responsibilities for performing the various related tasks. The establishment of adequate written procedures would help to ensure consistency of application and adherence to authorized policies and would also serve as a valuable aid in training employees. In addition, well-defined, promulgated procedures enhance flexibility of staff assignments.

#### **Recommendation #1**

**We recommend that the AVD develop written policies and procedures to guide its staff in performing their duties and clearly communicate those written procedures to all employees responsible for processing abandoned vehicle revenue transactions. Those written procedures, developed as part of an accounting/procedures manual or instructions to applicable staff, should contain sufficient detail to guide AVD staff in performing duties related to the processing of abandoned vehicle revenue transactions. Those procedures should, at a minimum, define the duties and responsibilities of applicable staff for receiving, recording, reviewing, approving, depositing and reconciling AVD revenue transactions.**

### **Abandoned Vehicle Auctions**

#### **Background**

As part of our previous audit of the Bureau of Purchases' Surplus Property Division (Audit Report issued July 1999), we reported several weaknesses in the control procedures for monitoring auction results. The most significant control weakness disclosed by our previous audit was the lack of adequate reviews and follow-up procedures to determine whether reported auction revenues were received by the City, deposited and properly recorded. We recommended that the City establish procedures to monitor auction revenues to ensure that reported auction proceeds have been received by the City, deposited and correctly recorded.

As a result of our previous audit, we also recommended that City employees who monitor auctions sign and date the recorded auction results and that the auction results recorded by the City employees be retained and used to independently verify the auction results submitted by the



auctioneer. During our follow-up of that audit, the Bureau of Purchases stated that procedures have been implemented consistent with our recommendations and that the auction tally sheets were being used to independently verify auction results.

## **Conclusion**

The Department of Finance established procedures to monitor auction revenues to ensure that reported auction proceeds have been received by the City, deposited and correctly recorded. During fiscal year 2000, the reported net auction proceeds of approximately \$1.3 million were remitted to the City within the allowed fifteen-day contractual time period. However, during our current audit, we found that the procedures for monitoring and verifying the auction results submitted by the auctioneer were not adequate. Also, the minimum bid price for abandoned vehicles auctioned to the general public was not sufficient to cover the minimum impoundment fees for those vehicles. Although state law provides a mechanism for the City to recover deficiencies from auction sales, there are limitations and restrictions on the amounts the City can recover, and there is usually a lengthy delay before the City recovers any monies due. We also found that purchasers of auctioned vehicles are required to remove those vehicles from the Pulaski Highway Yard immediately after the auction; however, AVD did not enforce those procedures.

### **Finding #2**

**The procedures for monitoring auctions and verifying the auction results submitted by the auctioneer were not adequate.**

### **Analysis**

The procedures for monitoring auctions and verifying the auction results submitted by the auctioneer were not adequate. The auction tally sheets were compiled by AVD personnel. However, AVD personnel recorded the amounts on the tally sheets based on individual clerking tickets prepared by the auctioneer for each vehicle sold, and the tally sheets were not signed and dated. Although we were informed that the Bureau of Purchases verified a sample of the vehicles sold at each auction, there were no records to document the sample tests and the verification of the results submitted by the auctioneer. Additionally, AVD personnel did not conduct any independent verification of the sale amounts recorded by the auctioneer. Furthermore, the auctioneer prepared an audio tape recording of each vehicle auction; but there was no evidence to indicate that any of the amounts reported by the auctioneer were regularly verified to the amounts recorded on the audio tapes.

### **Recommendation #2**

**We recommend that the City employees from AVD and the Bureau of Purchases monitor the auctions through actual auction observations or verification to the audio tapes, record the sample of the auction amounts tested and verify the sample to the auction results submitted by the auctioneer. We also recommend that the City employees who monitor the auctions sign and date the recorded auction tests. Furthermore, we recommend that the Bureau of Purchases retain a record of those tests as part of the auction files.**

**Finding #3**

**The minimum bid price for abandoned vehicles auctioned to the general public was not sufficient to cover the minimum impoundment fees for those vehicles. Timely notifications were not provided to the Motor Vehicle Administration to withhold vehicle registrations until the outstanding impoundment fees are paid.**

**Analysis**

The minimum bid price for abandoned vehicles auctioned to the general public was not sufficient to cover the minimum impoundment fees for those vehicles. The minimum bid price accepted for auctioned cars is \$51, and if no bids are offered for a vehicle, that vehicle is sold as a “junker” for \$15. The minimum bid price and the “junker” price were approved by the Board of Estimates, and those prices have been in effect since 1975. Currently, the basic minimum towing fee is \$70. Additionally, there is a \$30 administrative fee, storage fees of \$25 for the first 48 hours and \$10 for each day thereafter, and the expenses of the sale. During fiscal year 2000, more than 6,800 vehicles were offered for sale at the auctions, and more than 4,500 of those vehicles, or about 66%, were sold at a price less than the accumulated costs for those vehicles. More than 3,000 of those vehicles were sold at the minimum bid price of \$51, and more than 500 were sold as “junkers” for \$15 each.

Although state law provides a mechanism for the City to recover deficiencies from auction sales, there are limitations and restrictions on the amounts the City can recover, and there is usually a lengthy delay before the City recovers any monies due. Under the provisions of § 25-206.1 (b) of the Annotated Code of Maryland, the last registered owner of the auctioned vehicle is liable for any deficiency if the money collected from the sale of an auctioned vehicle is not sufficient to cover the costs of towing, preserving and storing the vehicle, and the expenses of the sale, including all publication and notice costs. The costs chargeable to an owner for preservation and storage of a vehicle may not exceed \$300. If the deficiency is not paid by the previous registered owner, the City notifies the Motor Vehicle Administration (MVA) to withhold the registration of any vehicles registered to that owner, until the amounts due to the City are paid. However, the vehicle registrations for many of the previous owners were often not flagged for MVA notification by the City for several reasons.

- The abandoned vehicle was registered to an out-of-state owner.
- The last registered owner did not have any other registered vehicles.
- Other vehicles appearing on the abandoned vehicle owner’s MVA record were registered to someone else (spouse, child, etc.).
- The previous owner could not be identified because the vehicle identification number was stripped from the abandoned vehicle.

Even if the registration for the last registered owner of the abandoned vehicle was flagged, there could be a lengthy delay before the City actually recovers any monies due. AVD had a backlog of several months for the processing of the MVA notification reports. Also, vehicle registration

renewals may not expire for up to two years from the date the City notifies MVA about the registration restriction.

#### **Recommendation #3**

**We recommend that the City determine the feasibility of increasing the minimum bid price for auctioned vehicles as well as the amount received for vehicles sold as “junkers.” We also recommend that the AVD implement procedures to reduce the amount of time taken to notify the MVA regarding applicable vehicle registration restrictions.**

#### **Finding #4**

**AVD did not enforce the established procedures for removing sold vehicles from the Pulaski Highway Yard after the auction.**

#### **Analysis**

AVD did not enforce the established procedures for removing sold vehicles from the Pulaski Highway Yard after the auction. Purchasers of auctioned vehicles are required to remove those vehicles from the Pulaski Highway Yard immediately after the auction. However, the AVD allowed the owners up to a one-week grace period without incurring any additional storage charges. Consequently, the City lost additional storage fees of up to \$70 (\$10 per day) for each auctioned vehicle allowed to remain at the Pulaski Highway Yard after the auction.

#### **Recommendation #4**

**We recommend that AVD enforce procedures that require the purchasers of auctioned vehicles to remove those vehicles immediately after the auction. We also recommend that AVD charge the purchasers with additional storage fees for any vehicles not immediately removed from the Pulaski Highway Yard.**

## Other Issues

During our audit, we noted some other issues that we believe should be addressed by the AVD. We noted that the AVD might have been incorrectly applying the provisions of § 25-206.1 (b) of the Annotated Code of Maryland for those cases where the proceeds from the sale of abandoned vehicles were not sufficient to cover the accumulated costs for those vehicles. According to the law, the previously registered owner of an abandoned vehicle is liable for the deficiency when the proceeds of the sale are not sufficient to cover the costs of towing, preserving, and storing the vehicle and for the expenses of sale, including all publication and notice costs. For purposes of this provision of the law, the costs chargeable to an owner for the preservation and storage of a vehicle may not exceed \$300. However, AVD has been applying the \$300 limitation to all costs incurred for an abandoned vehicle.

We believe that the \$300 limitation applies only to the costs of preserving and storing the vehicle and was established to limit the amount of storage costs when abandoned vehicles remain on the impound lot for a lengthy time before being sold at auction. Furthermore, according to the Annotated Code of Maryland § 25-204 (c), if the AVD seeks to apply the provisions of §§ 25-206.1 and 25-206.2, the required notice sent to the last registered owner and each secured party shall state that the failure of the owner or secured party to exercise the right to reclaim the vehicle in the time provided may cause continuing liability of the owner for costs of:

- Impoundment;
- Storage within the chargeable limit for storage as provided in § 25-206.1 (b); and,
- Sale of the vehicle

Therefore, in most cases, especially where the vehicles are sold at the minimum bid price of \$51 or are sold as “junkers” for \$15, the AVD might not have collected all of the fees that it was entitled to recover. Since more than 3,500 vehicles were sold at the minimum bid price of \$51 or were sold as “junkers” for \$15 each during fiscal year 2000, the AVD might have missed an opportunity to collect a considerable amount of the vehicle costs. The following actual example illustrates the differences in the methods of calculating the amount to be recovered and in this case, results in a potential loss of \$75 to the AVD:

<b>Accumulated Vehicle Costs</b>	
Towing Costs	\$ 64
Administrative and Storage Costs	585
Public Notice and Auctioneer Fee	62
Total Costs	<u>\$ 711</u>

**Calculation of Amount to be Recovered**

	<b><u>Per AVD</u></b>	<b><u>Per Audits</u></b>
Proceeds from Auction Sale	\$ 51	\$ 51
Deficiency - \$711 less \$51	\$ 660	\$ 660
Deficiency Adjustment - Total deficiency less \$300 limitation	(360)	
Deficiency Adjustment - \$585 Storage Costs less \$300 limitation		(285)
Amount to be Recovered	<u>\$ 300</u>	<u>\$ 375</u>

When the auction price was considerably higher than the minimum bid price, the AVD might have collected more fees from previous owners than it should have collected. The following actual example illustrates this situation:

<b>Accumulated Vehicle Costs</b>	
Towing Costs	\$ 71
Administrative and Storage Costs	945
Public Notice and Auctioneer Fee	67
Total Costs	<u>\$ 1,083</u>

**Calculation of Amount to be Recovered**

	<b><u>Per AVD</u></b>	<b><u>Per Audits</u></b>
Proceeds from Auction Sale	\$ 675	\$ 675
Deficiency - \$1,083 less \$675	\$ 408	\$ 408
Deficiency Adjustment - Total deficiency less \$300 limitation	(108)	
Deficiency Adjustment - \$945 Storage Costs less \$300 limitation		(645)
Amount to be Recovered	<u>\$ 300</u>	<u>\$ -</u>

**We recommend that the AVD obtain guidance from the City's Department of Law regarding the interpretation and proper application of § 25-206.1 (b) of the Annotated Code of Maryland. If the \$300 limitation applies only to the costs of preserving and storing the vehicles, the AVD should change its method for calculating the deficiencies and collect the appropriate amounts.**

**APPENDIX I**

**THE DEPARTMENT OF PUBLIC WORKS' RESPONSE  
AND  
THE DEPARTMENT OF FINANCE – BUREAU OF  
PURCHASES' RESPONSE**

**TO THE**

**PERFORMANCE AUDIT OF**

**CASH HANDLING AND COLLECTION PROCEDURES  
FOR REVENUES GENERATED  
AT THE ABANDONED VEHICLES DIVISION  
PULASKI HIGHWAY YARD**

**AND**

**AUDITOR'S COMMENTS ON AGENCY RESPONSES**

FROM

NAME & TITLE	George L. Winfield, Director
AGENCY NAME & ADDRESS	Department of Public Works 200 N. Holliday Street, Room 600
SUBJECT	<b>ABANDONED VEHICLES DIVISION AUDIT REPORT</b>

CITY of  
BALTIMORE  
**MEMO**



TO

DATE: July 13, 2001

Ms. Yovonda D. Brooks, City Auditor  
Department of Audits  
321 City Hall

Attached please find a response from the Towing Section regarding the Draft Audit Report on the cash handling and collection procedures for revenues generated regarding abandoned vehicles.

If you have any questions in regard to this matter, please contact Mr. Leonard Ottone, Towing Manager, at (410) 396-9964

GEORGE L. WINFIELD  
DIRECTOR

GLW:fps

cc: Mr. Michael E. Rice, Bureau Head  
Colonel J. Anthony Jeffery  
Mr. Leonard Ottone, Towing Manager

## **Abandoned Vehicle Division Audit Report Comments**

### **Finding #1 AVD did not have written policies and procedures to guide the staff in performing revenue transactions.**

The Towing Section will develop a written Standard Operating Procedure for the cash handling operation. Written procedures were established in 1985 when the Towing Section was computerized, however as a result of changes in staff and administration those procedures cannot be located.

### **Finding #2 Procedures for monitoring auctions were not adequate.**

The answer to this question will have to be coordinated with the Bureau of Purchases who oversees auctions. Prior to 1991, the Bureau of Purchases and the Department of Audits would each have a representative at each auction to record all auction results. At the conclusion of each auction they would reconcile the results with each other and verify the amount due from the auctioneer.

### **Finding #3A The minimum bid price for abandoned vehicles auctioned to the general public was not sufficient to cover the minimum impoundment fees for those vehicles.**

The history regarding how this fee was established and how it can be raised should be referred to the Bureau of Purchases.

### **Finding #3B Timely notifications were not provided to the Motor Vehicle Administration to withhold vehicle registrations until the outstanding impoundment fees are paid.**

The flagging procedure is a very time consuming process. It requires numerous hours from the Towing Section cashier and office support staff to complete. As a result of staffing reductions over the past several fiscal years, it has made this process increasingly difficult to complete in a timely fashion without the use of large amount of overtime. The agency will work with the Department of Finance to resolve this issue.

### **Finding #4 AVD did not enforce the established procedure for removing vehicles sold from the Pulaski Highway Yard after the auction.**

The agency will enforce the 5 working day policy and charge storage fees for vehicles stored in excess of 5 days after the auction. The agency will review this policy regarding buyers who purchase large quantities and require longer period of time for removal.



**Other Issues regarding compliance with the provisions of 25-206.1 of the  
Annotated Code of Maryland**

The Department of Public Works must request a legal opinion from the Law Department as to the proper application of Maryland Annotated Code 25-206.1.



## INTERNAL CONFIDENTIAL MEMORANDUM

June 29, 2001

TO: Ms. Yovonda D. Brooks, City Auditor  
Department of Audits

From: Arthur B. McNeal, Sr., City Purchasing Agent  
Bureau of Purchases

RE: Response to Audit Report Inquiry Regarding Cash Handling Procedures for  
Revenues generated at the Abandoned Vehicle Sales

**Finding #1, AVD did not have written policies and procedures to guide its staff in performing their duties for processing abandoned vehicle revenue transactions and assigning responsibilities for performing various related tasks.**

**Response:** The Bureau of Purchases regards this issue as an Abandoned Vehicle Division responsibility.

**Finding #2, The procedures for monitoring and verifying the auction results submitted by the auctioneer were not adequate.**

**Response:** The Bureau of Purchases has a representative at each auction who monitors the auctions through actual auction observations or verification. The recorded sample amounts tested are verified with the auction results submitted by the auctioneer. Since May 30, 2001, When Audits verbally informed the Bureau of Purchases of the need to keep the sample test, recorded sample test sheets have been signed, dated and kept with the folder commencing. The Audit Department has recommended that the audiotapes of the auction be used to randomly verify the revenue tickets submitted by the auctioneer. The Bureau of Purchases will utilize audiotapes for verification of auction results.



**Finding #3, The minimum bid price for abandoned vehicles auctioned to the general public was not sufficient to cover the minimum impoundment fees for those vehicles. Timely notifications were not provided to the Motor Vehicle Administration to withhold vehicle registrations until the outstanding impoundment fees are paid.**

**Response:** The abandoned vehicle price is set by the Abandon Vehicle Department and approved by the Board of Estimates. The Bureau of Purchases will add any price changes to future bid proposals and create a change order to the present contract. Other audit findings are the responsibility of Abandon Vehicle Department with the exception of the junkers.

The Audit Department recommends that the price for junkers be increased from the present price of \$15.00. The Bureau of Purchases will issue a request for bid proposal to all responsible vendors. Since this is a commodity that is sensitive to market pricing, there is no guarantee that a higher price would prevail.

**Finding #4, AVD did not enforce the established procedures for removing vehicles sold from the Pulaski Highway Yard after the auction.**

**Response:** The Bureau of Purchases regards this issue as an Abandoned Vehicle Division responsibility.

**AUDITOR'S COMMENTS ON  
AGENCY RESPONSES  
TO THE PERFORMANCE AUDIT**

The responses of the Department of Public Works (DPW) and the Department of Finance – Bureau of Purchases to our performance audit is included in this appendix. The corrective action outlined in the responses addresses most of our findings and recommendations. However, DPW's response did not adequately address two of our recommendations.

***Procedures for Removing Vehicles Sold From the Pulaski Highway Yard After the Auction***

DPW's response indicated that it will enforce a policy of charging storage fees for vehicles stored in excess of 5 working days after the auction. DPW also stated that it will review this policy for buyers who purchase large quantities and require a longer period of time for removal. However, we recommended that the Abandoned Vehicles Division enforce procedures that require the purchasers of auctioned vehicles to remove those vehicles immediately after the auction and charge the purchasers with additional storage fees for any vehicles not immediately removed from the Pulaski Highway Yard.